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PASCAGOULA MAN PLEADS GUILTY TO KATRINA GRANT FRAUD

GULFPORT, Miss. – Todd C. Northrop, of Pascagoula, MS., pled guilty to mail fraud against the United States Government, U.S. Attorney Stan Harris announced today. Northrop filed false applications with the Federal Emergency Management Agency and the Mississippi Development Authority for its Homeowner Assistance Program grant, falsely claiming in those applications that he was displaced from a house that he owned, but did not inhabit, at the time of Hurricane Katrina. Today, he admitted to having rented the house to other individuals weeks prior to the storm, and having relocated to a different address. After filing an application for disaster-related benefits with FEMA, Northrop received a total of \$21,756.73 via mail. The fraud was detected before MDA paid Northrop any money. This case was investigated by the Department of Homeland Security and Mississippi's Office of State Auditor.

In September, 2005, former Attorney General Alberto R. Gonzales created the national Hurricane Katrina Fraud Task Force, designed to deter, investigate and prosecute disaster-related federal crimes such as charity fraud, identity theft, procurement fraud and insurance fraud. The Hurricane Katrina Fraud Task Force - chaired by Assistant Attorney General for the Criminal Division, Lanny A. Breuer, includes members from the FBI, Department of Homeland Security Office of Inspector General, the Federal Trade Commission, the Department of Labor Office of Inspector General, the Postal Inspector's Office and the Executive Office of United States Attorneys, among others.

Pursuant to the Justice Department initiative, a local Katrina Fraud Task Force, consisting of over 20 Federal and State law enforcement agencies, was formed in the Southern District of Mississippi to pursue and prosecute individuals who engage in fraud associated with the hurricanes.

If anyone has information concerning possible fraud being committed during the post-Katrina recovery effort, please call either the DHS-OIG Fraud Hotline at 1-866-720-5721 or the FBI Fraud Hotline at 1-800-225-5324.